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OFFICE OF THE COMPTROLLER

Introductory Statement

The Office of the Comptroller is responsible for the development and administration of the over-all budgetary and financial program of the Agency and provides budgetary and fiscal assistance and services to all offices within the Agency.

In performing these responsibilities for the Agency programs, the volume of fiscal activities, i.e., audit of vouchers, processing of accountings, ledger postings, payroll processings, contract audits, disbursements, etc., will be at approximately the same level as for Fiscal Year 1960.

The general program will be to continue improving procedures and techniques in order to obtain better accounting, budget data, budget presentation and performance, reporting, and increased efficiency and economies.

Programs to be concentrated on are: continue the development of a program for the improvement of financial management; continue to develop a cost accounting system with the view of obtaining data which can be the basis for internal cost-based budgeting; further implementation and improvement of financial property accounting; further improve on-the-job and agency financial management training; and replace machine electric accounting system with the RCA data processing system.

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NARRATIVE JUSTIFICATION

Executive Direction and Administrative Support

General:

Executive Direction involves the development and administration of the over-all budgetary and financial program of the Agency. This includes the necessary liaison with operating officials, the Bureau of the Budget, and other Government agencies; the submission of plans and recommendations for the establishment of Agency financial and budgetary policy and procedures; the development and installation of accounting systems and financial reporting procedures for domestic and overseas installations and projects; the development and maintenance of effective program and financial analyses; and the preparation and distribution of analytical reports and statements.

Accomplishments Fiscal Year 1960:

Accomplishments in 1960 evolved from efforts to strengthen the Agency's financial management program. The more important were:

The development and issuance of 147 accounting regulations, notices, instructions, and handbooks designed to simplify procedures, improve control over the acquisition and use of resources, and provide better financial data to operating management.

The development of methods to accrue direct cost items. This is a further refinement towards the objective of having good cost data for management purposes and the preparation of cost based budgets.

The establishment of a procurement funding mechanism to aid in controlling property funding and costing without resorting to revolving fund techniques.

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NARRATIVE JUSTIFICATION (Cont'd)

Executive Direction and Administrative Support (Cont'd)

Accomplishments Fiscal Year 1960: (Cont'd)

The preparation of 1,252 pages of special financial studies and analyses for the use of higher level management in making decisions concerning policy and operations.

The sponsorship of training courses and conferences attended by 678 persons throughout the Agency. This training is designed to create a better understanding and appreciation of financial management and to improve the efficiency and effectiveness of personnel engaged in financial activities.

Objectives Fiscal Years 1961 and 1962:

The main emphasis of this activity will be the continued improvement of the financial management program. More specifically the objective is the further development of accounting and budgetary policies leading to an internal operating cost program and improved procedures and reports to provide better control over Agency resources.

Explanation of Changes in Financial Requirements Fiscal Year 1962 over Fiscal Year 1961:

The net increase in requirements for this activity results from periodic pay increases; placing the 1960 pay act and related increases on a full year basis in 1962, increased travel requirements and 2 year bond premium due on Agency Position Schedule Bond.

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NARRATIVE JUSTIFICATION (Cont'd)

Budget Administration

General:

Budget Administration involves the development and administration of the Agency budgetary program. This includes the direction and review of budget estimates, control of funds through the allocation and allotment process, and the general improvement of financial management through greater use of the budget by operating officials as a working tool in the development and execution of Agency programs.

Accomplishments Fiscal Year 1960:

The Agency is moving as rapidly as possible toward raising the level of allotments and using other means, such as approved financial plans, as a basis of operating control as prescribed by Public Law 863. For Fiscal Year 1960, single allotments were established in offices where several had been used before resulting in a reduction in the number of allotment accounts from 566 in Fiscal Year 1959 to 167 in Fiscal Year 1960.

Procedures and format for internal operating cost-based budgets were developed for experimental use in selected organizational components in Fiscal Year 1961.

The Cost Authority system for property was expanded to include Headquarters and most field stations in Fiscal Year 1960 and plans were completed for the improvement of property procurement funding in Fiscal Year 1961. Under this system all property will be subject to cost authority.

The Financial Code was modified to identify activities by major Agency function and, in the Station Code, to identify stations by the type of accountability maintained.

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NARRATIVE JUSTIFICATION (Cont'd)

Accounting for Overt Operations (Cont'd)

Accomplishments Fiscal Year 1960: (Cont'd)

The Fiscal Year 1960 workload of this activity is summarized as follows:



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Objectives Fiscal Years 1961 and 1962:

The continuing objective is to improve the accounting procedures in order to provide the most economical and timely service to meet management and legal requirements for accounting data. Main efforts during the next two years will be directed towards converting the payroll and other accounting activities to the RCA 501 system.

Explanation of Changes in Financial Requirements Fiscal Year 1962 over Fiscal Year 1961:

The net increase in requirements for this activity results primarily from periodic step increases, and putting the 1960 civilian pay act and related increases on a full year basis in 1962.

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NARRATIVE JUSTIFICATION (Cont'd)

Machine Accounting and Statistical Services

General:

Machine Accounting and Statistical Services involves the development and application of tabulating machine techniques in the keeping of records, primarily within the administrative field, with the objectives of eliminating manual methods wherever possible, effecting dollar economies and increased efficiencies, and permitting the production of such reports and information as may be required for good administrative management, for auditing, and future planning purposes.

Accomplishments Fiscal Year 1960:

Plans were completed and action taken toward the installation of an RCA 501 electronic data processing system that will enable the Agency to meet the increasing demands for more financial data on a timely and economical basis.

Almost 3 million tabulating cards were prepared and processed in compiling and issuing 536 machine runs and reports on from a daily to an annual basis to provide management and other authorities with personnel, inventory, payroll, accounting and other statistical data.

Machine services were used in the development of the Agency's accrued costing system and in the preparation of the new cost center report. The accuracy and timeliness of this data are important factors in enabling the Agency to prepare cost-based budgets.

Objectives Fiscal Years 1961 and 1962:

The major objective for accomplishment in Fiscal Year 1961 is the conversion of all machine operations to the RCA 501 computer system. Efforts in Fiscal Year 1962 will be directed towards refining and improving the data processing services especially in the direction of more timely information.

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